

2022-2023 Annual Benefit Corporation Report

A Message from our CEO

What an incredible year it's been for Bespoke! During and after the pandemic, as the world of education changed rapidly, Bespoke began a pivot from providing test prep and academic support mainly to families of means, to a mission of providing equity in education and access for all students - from all backgrounds - to the very best test prep and tutoring. Over the past two years, since becoming a registered NYS Benefit Corporation, and now in 2023 as a newly certified B Corporation, Bespoke is working with over 100 charter and public schools from Boston to NY to Philadelphia, and our programs are growing all the time. In 2022, 70% of the students Bespoke taught were from underserved, poor, and minority communities and nearly 40% of our revenues were derived from our mission-based community work.

Bespoke's aims to provide exceptional educational support for students throughout their schooling. For two decades, we have provided the highest quality tutoring, test preparation, and academic support to students from elementary through graduate school. With offices in New York and Paris, France, our team of tutors and full-time staff provide expert educational support to students of all ages. We believe the mentor-student relationship is fundamental to guiding students in acquiring new habits and skills. Once this trusting relationship is established and students meet with newfound success, they become increasingly confident and motivated to take on new challenges.

We believe corporations should fulfill a purpose beneficial to the public and be run for the benefit of all stakeholders including employees, customers, and the community at large. As a NYS Public Benefit Corporation (PBC) and a Certified B Corporation®, Bespoke's mission and commitment to a beneficial public purpose are codified in our charter, requiring our corporate decisions to balance the interests of community, customers, employees, and shareholders.

We have an incredible staff of 20 full-time and approximately 250 part-time tutors, proctors, and administrators, who are unified and energized by our mission. We look forward to seeing what we can accomplish over the months and years to come as the company grows and increases our national and international footprints.





General Public Benefit

Bespoke is a benefit corporation as defined in Article Seventeen of NYS Business Corporation Law. Our mission is to create a general public benefit by having a material, positive impact on society and the environment, as measured by a third-party standard.

Please also refer to the detailed summary of Bespoke's mission-driven services provided at the end of this report. This summary was provided to B Lab during our initial certification in 2022-23.

Specific Public Benefit

Bespoke's mission is to create the following specific public benefits: (i) to promote access to and equity in secondary school education for traditionally disadvantaged or otherwise underserved students in charter and public schools through the provision of (a) tutoring services for standardized test preparation and secondary school academic subjects and (b) training and support services to enhance such schools' college counseling services and such students' knowledge about the college admissions process, and (ii) to promote diversity among tutors and others providing such services, including by helping to recruit, train and support a diverse cadre of tutors.

Please also refer to the detailed summary of Bespoke's mission-driven services provided at the end of this report. This summary was provided to B Lab during our initial certification in 2022-23.

Hindrances to Creating Benefit

Please refer to the detailed summary of Bespoke's mission-driven services provided at the end of this report. This summary was provided to B Lab during our initial certification in 2022-23.





Performance and Third-Party Standard

Bespoke chose the B Lab Impact Assessment¹ for quantifying our environmental and social performance because it is the leading tool for this purpose and because it satisfies all the performance characteristics and requirements established for NYS Benefit Corporation law. The Impact Assessment is composed of questions in five Impact Areas: Governance, Workers, Community, Environment, and Customers, and helps to quantify how we fulfilled our benefit corporation purpose of promoting general public benefit.

The assessment is measured on a 200-point scale, with a minimum score of 80 required for a company to be eligible for certification. Bespoke completed our first Impact Assessment in 2023, and received an overall score of 89.9. To put this score in context, the average score of "ordinary" (non-certified) businesses of our size was 50.9.²

As a public benefit corporation, Bespoke will continue to pursue and report improvements in internal governance, workforce diversity and employee development efforts, our stewardship of the environment, engagement in our communities, and, of course, our substantial contributions to education for all children regardless of socioeconomic background.

For questions about this report, please email <u>tim@BespokeEducation.com</u>.

Shareholder and Director Information

Bespoke is 100% owned by Founder and CEO, Tim Levin. The Director our charter and public school programs is Lorenzo Krakowsky. The company's is headquartered at 177 East 87th Street Suite 302B NYC 10128. We can be reached at 212-286-2227 or by email at <u>info@BespokeEducation.com</u>.

² https://www.bcorporation.net/en-us/find-a-b-corp/company/bespoke-education-inc/



¹ <u>https://www.bcorporation.net/en-us/programs-and-tools/b-impact-assessment/</u>



B Corp Verification Phase - PROGRAM SUMMARY - May 1, 2023

Products/services provide essential educational credentials and academic development (e.g. primary or secondary school, accredited trade schools and career training, etc.)

Since its inception in 2004, Bespoke Education has supported students in underserved communities by providing test preparation and academic support both 1-on-1 and in small-group classes. From our fully pro-bono SAT prep program with Destination College in Bronxville, NY¹ that has been running for more than a decade to our classes at dozens of charter and public schools and non-profits², and our many hours of low- or no-cost 1-on-1 tutoring each year, Bespoke has made it a priority to bring top-quality teachers and curricula to students who could not otherwise afford our services. The Covid-19 pandemic laid bare the inequity and lack of access that so many students in the U.S. face when it comes to high-quality education and pre-college support. Bespoke has positioned itself as a company that has enshrined into our mission and corporate certificate our commitment to provide greater access to the very best tutoring, test preparation, and pre-college support for underserved students across the country. To that end, Bespoke is currently registered in NYS as a *Benefit Corporation*, and we aim to become a *Certified B Corporation* by meeting or exceeding B Lab's rigorous standards.

In his 2021 paper for the American Educational Research Association (AERA), Brown University professor Matthew Kraft lays out a compelling case for the importance of high-dosage, small-group tutoring as a primary tool to raise student achievement in minority communities.³ High-dosage tutoring is usually described as programs in which individual or small groups of students work with the same tutor during the school day or after-school for significant portions of the academic year, providing a stable and consistent mentor who can present quality instruction and learning for specific subjects or tests. In his meta-analysis of programs that attempt to have positive impacts on the performance and achievement of public school students, Kraft writes, "The *average* effect of tutoring programs on student achievement is larger than the effects found in approximately 85% of [other] educational interventions." Multiple studies of in-school high-dosage tutoring programs have shown that paid, small-group tutoring during and after the school day is far more effective at improving student outcomes, especially in math and reading, across every grade level.⁴ This finding holds true when tutoring is compared to common

¹ <u>https://destinationcollegeny.org/our-programs/#act-sat</u>

² List of school partnerships can be provided upon request.

³ Kraft, M. and Falken, G. (2021). Blueprint for scaling tutoring and mentoring across public schools. *AERA Open*, 7(1), pp. 1-21.

⁴ Fryer, R.G., Jr. (2017). The production of human capital in developed countries: Evidence from 196 randomised field experiments. *Handbook of economic field experiments* (Vol 2, pp 95-322); and Dietrichson, J., Bog, M., Filges, T., & Jorgensen, A.M.K. (2017) Academic interventions for elementary and middle school students with low socioeconomic status: A systematic review and meta-analysis. *Review of Educational Research*, *87*(2), 243-282.



interventions such as cooperative student learning, computer-assisted instruction, executive function and organizational support, and even tutoring provided by school teachers themselves rather than professional tutors.

Over our 20-year history, Bespoke Education has perfected not only our delivery of high-quality tutoring and teaching, but also our ability to identify, hire, and train individuals to be part of our team. Our tutors come from many different socio-economic and ethnic groups, more than 50% have Masters or PhD degrees in their fields, and all undergo a rigorous post-hire training program as well as a continuous professional development program as they work for the company.⁵ While Bespoke tutors families of means and works with private (independent) schools, approximately 40% of the hours our staff logs and approximately 35% of the company's annual revenue come from our work with students in underserved communities who attend public schools, and who are characterized as low-income or poor. The model Bespoke uses with its charter and public school partners is a high-dosage, small-group model that features in-person tutoring during the school day and focuses on test prep (such as SAT, Advanced Placement, NYS Regents), math, and reading at multiple grade levels from elementary school through high school. We work closely with school administrators to take care of scheduling, student placement, curriculum development where needed, and data and assessment gathering. Our administrators are in touch with principals and assistant principals on a regular basis to check on program progress, and we provide regular tutor training and professional development as programs take place.

Among the tutoring programs Bespoke runs for underserved populations of students at dozens of schools across Massachusetts, New York, New Jersey, and Pennsylvania are the following:

- Middle School Math Enrichment for 6th, 7th, and 8th graders that focuses on fundamentals and conceptual math, with the goal of improving academic performance and state test performance.
- High School SAT Programs for 11th and 12th graders designed to improve SAT scores in math, reading and writing; "pre"-SAT programs for 9th, 10th and 11th graders to work on grammar, math, and reading fundamentals.
- Tutoring programs in a variety of academic subjects, in which our tutors are present during the school day as additional mentors and staff to work with students on an asneeded basis, and also to train student "peer tutors" at the schools.
- Math (Algebra 1 and 2, Geometry, Statistics and Precalculus) and AP preparation (English, History, Science and Math) designed to improve academic performance and test scores.

⁵ https://www.bespokeeducation.com/about/tutors/



- College Essay Writing Program to support 11th and 12th grade students in their college essay writing process, which is usually delivered 1-on-1 to students.
- ELA (English Language Arts NYS Regents) and Leveled Reading programs for students in grades 3 through 8.
- General support of schools to assist with curriculum, pedagogy, mock tests, teacher training and professional development, data collection, substitute teaching and evaluation.

Bespoke's public school programs include the creation of content and strategy lessons, assessments, reporting, and instructional practices to accompany in-person or hybrid learning. Bespoke also coordinates tutor recruitment and scheduling, orientation and training, and feedback in a personalized manner and in close coordination with school administrators. Bespoke has always focused on consistent, high student achievement and enjoyment of its classes. Our results teaching students from poor and undeserved communities in 2022, a particularly important year for helping students learn and succeed post-Covid, included:

- An average increase of 115 points in student SAT scores (out of 1600 points) in a semester-long SAT in-person class for juniors.
- A 4.25 point average increase in student ACT scores (out of 36 points) during a semester-long ACT in-person course.
- A 10-week ELA program for struggling 3rd through 8th graders, who had been failing or low-achieving, after which 68% passed their final assessments at the end of the school year and 90% reported that their confidence had significantly improved in reading and writing.
- A year-long math enrichment program for middle schoolers after which a majority passed their end of year assessments.
- A 7-week long AP test preparation course for juniors and seniors, during which student attendance was 90% and students increased their test performance on average by 1 point (on a scale out of 5).

Bespoke runs our school classes when students are available, customizing the schedule depending on the school and grade level. We run classes during the school day, after school, on weekends, and both remotely and in-person. Bespoke's instructors are recruited via a highly-selective employment process; many have advanced degrees and most have current or previous experience as classroom teachers. We teach an array of subjects and nearly all standardized tests. Bespoke also supports our instructors with ongoing training and professional development programs. Bespoke's tutors work with students who come from many different backgrounds; we teach students for whom English is a second language, who have diagnosed learning issues such as dyslexia and ADHD,



and who have IEPs and 504 plans. In all of our school classes, we also provide to school administrators:

- · Enrollment and attendance data
- Assessment scoring and data
- · Class and individual performance data
- · Close support for scheduling, changes to staffing, and curriculum development

The positive impact that Bespoke has in the underserved communities where we teach has potential roadblocks. The major one is funding. Currently, much of the highdosage tutoring that schools are doing is supported by Federal Esser funds that were part of the CARES Act passed during Covid.⁶ These funds will expire in January 2025, and it is unclear whether they can or will be extended. However, charter and public schools will have the same student support needs years from now, and the usual cycles of bursts of funding followed by dearths of funding can threaten the longevity of programs such as Bespoke's. One of Bespoke's goals is to position the company so that we can provide customized solutions and advising for schools over the long term. Many of the schools we work with have told us that if the data coming from our programs shows impact and positive outcomes, they will find the money to fund them when emergency federal money goes away. There are other sources of funding, including private groups such as the Accelerate Program led by Kevin Huffman⁷ and Bloomberg Philanthropies.⁸ In addition, charter schools can ask donors for funding for high-impact programs. Availability of the funds to payoff Bespoke's programs may come and go - that is not likely to change. Bespoke's solutions to potential funding roadblocks will include identifying federal grants and funds other than the Esser relief program; working with private charities and nonprofits to access funding; and gathering enough high-level data to show that our school partnerships are having a great deal of positive impact on student learning and achievement.

Other potential roadblocks include the implementation of high-impact tutoring in schools. It is complicated to start and run these programs because, in order for tutoring to have an impact, many factors come into play, such as getting students to attend classes and how attendance is tracked; where tutoring fits into school schedules that are already complex; and who coordinates tutoring at each school and in each classroom. Bespoke strives to solve many of these roadblocks by working closely with schools to assist in the administration and implementation of our programs, but even then attendance and scheduling can present challenges. In addition, many states and districts are trying to

⁶ https://oese.ed.gov/offices/education-stabilization-fund/elementary-secondary-school-emergency-relief-fund/

⁷ https://americaachieves.org/staff/kevin-huffman/

⁸ <u>https://www.bloomberg.org/press/bloomberg-philanthropies-launches-historic-750-million-national-effort-to-advance-public-charter-schools-as-traditional-district-schools-fail-children-during-covid-19-pandemic/</u>



BESPOKE EDUCATION

come up with codified definitions and rules about what constitutes high-dosage tutoring, with some states requiring not only that companies providing these services have abundant data to back up claims of efficacy, but also that schools partner with established companies that can prove effective track records from past tutoring programs. In addition, some states are defining tutoring quite narrowly, such as saying that high-impact programs must include "at least three interactions per week with each student" and that sessions must last "at least 30 minutes"⁹ but these definitions will block certain offerings by qualified companies and may also be detrimental to younger students (can a 1st grader, for example, focus for 30 minutes, or could 15-minute sessions have a greater impact?). In addition, Bespoke faces potential roadblocks to scale our programs: the most effective programs, and most of what we are being asked to provide, are in-person (not tech-based) and run during the school day.¹⁰ These programs are human capital intensive and involve hiring, training, scheduling, and monitoring on an ongoing basis. Live, in-person, high-dosage tutoring requires a great deal of people and time versus sitting students in front of computers for video-based live or asynchronous lessons.

Currently, our charter/public school tutoring programs are priced by the classroom hour at a rate of \$250/hour. In other words, a math program for 8th graders that has 10 students in a classroom with one of Bespoke's tutors and runs for 10 hours would cost \$250 x 10 hours, or \$2500. Many tutoring programs offered by third-parties such as Bespoke set prices "per pupil" vs. per hour, and this is an important metric by which districts and charter schools judge the affordability of tutoring programs.¹¹ In our analysis of of our current programs, annual per pupil costs, given our model of charging by the classroom hour, come out to around \$1200-\$1500 per student, which is a very reasonable price-point for schools, even in absence of the emergency Esser funds outlined above.

Please let us know if you have further questions about our education work in underserved communities.

⁹ https://ssri.duke.edu/what-is-high-dosage-tutoring-and-why-does-the-states-investment-in-it-matter/

¹⁰ https://annenberg.brown.edu/sites/default/files/EdResearch_for_Recovery_Design_Principles_1.pdf

¹¹ https://studentsupportaccelerator.com/district-playbook/section-2/developing-budget and Kraft, M. (2021).